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**AFGHANISTAN**

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# FACT SHEET

## Kabul Electricity Directorate (KED) Commercialization Contract Advisory Support

### OVERVIEW

USAID is assisting the Government of the Islamic Republic of Afghanistan (GIROA) to commercialize and better manage both the Kabul Electricity Directorate (KED) and the newly formed national electricity utility, Da Afghanistan Breshna Sherkat (DABS). Along with the World Bank and other international donors, the U.S. Government (USG) has worked closely with GIROA to establish DABS as a commercialized, public entity that will further increase the amounts of electricity available for Afghan homes and businesses. Low cost recovery for electricity provided is jeopardizing the financial and operational sustainability of KED, and DABS. This lack of funds makes it difficult to maintain network assets and expand services to new customers. Without a dramatic expansion in revenue, the funds to pay for electricity imports and maintain rapid system expansion will not be available. The USG, through USAID, has invested \$6 million in DABS and pledged another \$47 million during the next year and a half as part of its overall \$1.7 billion energy-sector program in Afghanistan.

### ACTIVITIES

- **Commercialize DABS:** Commercialize electricity distribution services in Kabul to build the capacity of DABS to operate on a full cost recovery basis
- Assist DABS in business planning and performance improvement

### RESULTS

- Established the national electricity corporation, DABS, in September 2009, laying the foundation for commercialization of the country's energy sector
- Assisted DABS in appointing a board of directors and establishing corporate bylaws and board procedures
- Analyzed constraints in billing and collection in Kabul and designed geographic information systems-based solutions for customer identification and control

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